

PROPERTY ASSESSMENT APPEAL BOARD
FINDINGS OF FACT, CONCLUSIONS OF LAW, AND ORDER

PAAB Docket No. 2019-091-10025R

Parcel No. 09-000-05-0623

Richard Nation,

Appellant,

vs.

Warren County Board of Review,

Appellee.

Introduction

The appeal came on for hearing before the Property Assessment Appeal Board (PAAB) on January 7, 2020. Richard Nation was self-represented. Deputy County Assessor Tim Konrad represented the Warren County Board of Review.

Richard and Doris Nation own a residentially classified property located at 7502 25th Avenue, Norwalk. Its January 1, 2019, assessment was set at \$326,600. (Ex. B).

Nation petitioned the Board of Review contending his assessment was for more than the value authorized by law. Iowa Code § 441.37(1)(a)(2) (2019). The Board of Review modified the assessed value to \$321,600 allocated as \$100,400 in land value and \$221,200 in dwelling value.

Nation then appealed to PAAB re-asserting his claim.

General Principles of Assessment Law

PAAB has jurisdiction of this matter under Iowa Code sections 421.1A and 441.37A. PAAB is an agency and the provisions of the Administrative Procedure Act apply. § 17A.2(1). This appeal is a contested case. § 441.37A(1)(b). PAAB may consider any grounds under Iowa Code section 441.37(1)(a) properly raised by the appellant following the provisions of section 441.37A(1)(b) and Iowa Admin. Code R.

701-126.2(2-4). New or additional evidence may be introduced. *Id.* PAAB considers the record as a whole and all of the evidence regardless of who introduced it.

§ 441.37A(3)(a); *see also Hy-Vee, Inc. v. Employment Appeal Bd.*, 710 N.W.2d 1, 3 (Iowa 2005). There is no presumption the assessed value is correct, but the taxpayer has the burden of proof. §§ 441.21(3); 441.37A(3)(a). The burden may be shifted; but even if it is not, the taxpayer may still prevail based on a preponderance of the evidence. *Id.*; *Compiano v. Bd. of Review of Polk Cnty.*, 771 N.W.2d 392, 396 (Iowa 2009) (citation omitted).

Findings of Fact

The subject property is a one-story home built in 1984. It has 1844 square feet of gross living area and an unfinished, walk-out basement. The improvements are listed in normal condition with a 3+05 Grade (good quality). The property is also improved with a patio, a deck, a two-car attached garage, a two-car detached garage, a one-car detached garage, and a small steel utility building. The site is 19.5 acres. (Ex. A).

Nation testified regarding the subject site and surrounding properties. He explained his property is located at the end of a poorly maintained, dead-end, gravel road. He asserted it has less market appeal due to its lack of fire protection and fire hydrants, as well as its power-line easement and drainage from an adjoining property. He believes all of these factors negatively affect the value of his property.

Nation attached the Assessment Roll for 7788 25th Avenue, a vacant parcel adjoining his property to the south. (Ex. 1) It appears to be a very similar site with similar size, shape, and location but has a total 2019 assessed value of \$8,600. (Exs. F & G) He believes the assessment of this property shows his site is over assessed. The adjoining property, however, has an agricultural classification and is not assessed based on its market value but rather its productivity and net earning capacity as required by Iowa law.¹ (Ex. G).

¹ Iowa Code section 441.21(1)(e) requires agriculturally classified property to be valued on the basis of productivity and net earning capacity; whereas residentially classified property, like the subject, would be valued based on its market value under section 441.21(1)(b)(1).

The Board of Review submitted a table of sales ratios. (Ex. D). It asserts this data supports that most properties in the subject's map area are assessed for less than market value. It also submitted an aerial photograph showing substantial tree coverage on part of the subject site, as well as the power lines Nation identified.

Analysis & Conclusions of Law

Nation contends his property is assessed for more than the value authorized by law. Iowa Code section 441.37(1)(a)(2).

In an appeal alleging the property is assessed for more than the value authorized by law under Iowa Code section 441.37(1)(a)(2), the taxpayer must show: 1) the assessment is excessive and 2) the subject property's correct value. *Soifer v. Floyd Cnty. Bd. of Review*, 759 N.W.2d 775, 780 (Iowa 2009) (citation omitted). In Iowa, property is to be valued at its actual value. Iowa Code § 441.21(1)(a). Actual value is the property's fair and reasonable market value. § 441.21(1)(b). Market value essentially is defined as the value established in an arm's-length sale of the property. *Id.* The sales comparison method is the preferred method for valuing property under Iowa law. *Compiano*, 771 N.W.2d at 398; *Soifer*, 759 N.W.2d at 779; *Heritage Cablevision v. Bd. of Review of Mason City*, 457 N.W.2d 594, 597 (Iowa 1990). "Sale prices of the property or comparable properties in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at its market value." § 441.21(1)(b).

Nation believes his property has a bad location on a dead-end, poorly maintained gravel road. Further, he believes his lack of fire protection negatively affects his market appeal and value. However, we note both of these factors are typical for rural residences. His site also has high power lines running along a rear corner and, according to Nation's testimony, has drainage from adjoining property. Again, he did not offer any market support to show the actual impact these factors have on the subject property's value.

National also submitted the assessment of a vacant site adjoining his property, which is similar in size and shape. However, because this property is agriculturally classified, its assessment is not based on market value and not relevant for comparison to the subject's assessed value. Moreover, simply comparing assessments is not sufficient evidence to support an over assessment claim.

Nation did not provide any comparable sales, an appraisal, or a Comparable Market Analysis, which is typical evidence to support a claim of over assessment. Therefore, we conclude Nation has failed to support a claim that the property is assessed for more than the value authorized by law.

We note portions of the subject site have substantial tree coverage and it may behoove Nation to research the forest reserve program.

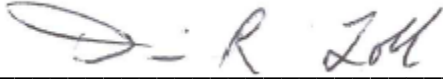
Order

PAAB HEREBY AFFIRMS the Warren County Board of Review's action.

This Order shall be considered final agency action for the purposes of Iowa Code Chapter 17A (2019).

Any application for reconsideration or rehearing shall be filed with PAAB within 20 days of the date of this Order and comply with the requirements of PAAB administrative rules. Such application will stay the period for filing a judicial review action.


Any judicial action challenging this Order shall be filed in the district court where the property is located within 30 days of the date of this Order and comply with the requirements of Iowa Code section 441.37B and Chapter 17A.



Dennis Loll, Board Member



Karen Oberman, Board Member



Elizabeth Goodman, Board Member

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Warren County Board of Review by eFile